

Compensation Board
Minimum Criteria for Treasurers'
Career Development Programs

Adopted by the
Compensation Board
September 28, 1999

Amended:
November 27, 2001
January 22, 2002
January 21, 2004

Table of Contents

<u>Title</u>	<u>Page</u>
Executive Summary	1
Study Background and Participants	2
Compensation Board Minimum Criteria for Treasurers' Career Development Programs	3
Enrollment Form	6
Audit Procedure	8

Executive Summary

The 1999 General Assembly directed the Compensation Board to develop a career development plan (CDP) for Treasurers. A task force comprised of Compensation Board staff and Treasurers was formed to develop the criteria for participation in the plan and to determine costs for the plan. The recommended plan sets the following criteria for participation in the career development program: the Treasurer must achieve Level II certification as a Certified Governmental Treasurer from the Weldon Cooper Center for Public Service at the University of Virginia; a minimum number of the Treasurer's employees must be enrolled in the Certified Governmental Deputy Treasurer program; the Treasurer must certify the adoption of certain administrative policies; the locality's most recent audit report must contain no findings of material financial weakness under the direction of the Treasurer; the Treasurer must have a written Delinquent Collection Policy and maintain a collection rate for real estate greater than or equal to 95% and 90% for personal property as measured twelve months after the due date and adjusted for the locality's unemployment rate (i.e., $\frac{1}{4}\%$ reduction in acceptable collection rate for 1% unemployment rate. A locality with 10% unemployment would receive a 2.5% adjustment to 92.5% for real estate and 87.5% for personal property); and the Treasurer must have a written Customer Service Policy and a written Investment Policy.

If the General Assembly wishes to make the CDP available to all Treasurer positions, the estimated salary and fringe benefits costs necessary to provide a 9.3% salary increase is \$846,152 (GF) each year.

Based upon the input of the Treasurers' Association of Virginia approximately 25% of Treasurers will be eligible to participate the first year and 40% the second year at an estimated salary and fringe benefits cost of \$157,619 in FY01 and \$402,622 in FY02.

Study Background and Participants

Background:

Since the mid-1970's, the Compensation Board has played no role in setting the salary of an elected Constitutional Officer. Instead, the salaries of the officers have been set out annually in the Appropriation Act. With the exception of Commonwealth's Attorneys who are required to be members of the Virginia State Bar (VSB), no minimum criteria exist to hold office, and no state funded salary incentives exist for officers once they are elected as a result of performance or longevity.

Analysis

The 1999 General Assembly required the Compensation Board to draft criteria for career development plans for Treasurers and Deputy Treasurers. At the request of the General Assembly, the Compensation Board has developed career development plans for Deputy Sheriffs and Assistant Commonwealth's Attorneys, which were subsequently funded by the General Assembly. The action of the 1999 General Assembly session is the first time that the General Assembly has directed the Compensation Board to recommend career development plans for elected officials. With that perspective in mind, the Compensation Board makes the following recommendations for minimum criteria for Treasurers' Career Development Plans.

This study addresses a career development program for Treasurers. A separate study addresses the career development program for Deputy Treasurers. The Compensation Board also developed a procedure by which Treasurers could certify their participation in a Career Development Program which met the Compensation Board's minimum criteria. Further, the Compensation Board developed a model plan for use by the Treasurers.

Study Participants:

Bruce W. Haynes, Executive Secretary, Compensation Board
James W. Matthews, Assistant Executive Secretary, Compensation Board
Charlotte W. Luck, Senior Fiscal Technician, Compensation Board
Honorable Stephen L. Moloney, President, Treasurers' Association of Virginia
Honorable Phyllis M. Yancey, Treasurer, Orange County
Honorable Alfred C. Anderson, Treasurer, Roanoke County
Honorable Betsy N. Long, Treasurer, Lunenburg County
Honorable Ellen V. Booker, Treasurer, Northumberland County
Honorable Fred W. Parker, Treasurer, Washington County
Honorable Ronald H. Williams, Treasurer, City of Suffolk
Honorable M. Scott Miller, Treasurer, Hanover County
Honorable Richard A. Cordle, Treasurer, Chesterfield County
Honorable Fields R. Young, Jr., Treasurer, Grayson County
Honorable Darlene B. Giles, Treasurer, Charles City County
Honorable Larry K. Pritchett, Treasurer, Spotsylvania County
Honorable Francis X. O'Leary, Arlington County
W. Forrest Matthews, Jr., Director of Finance, Henrico County
Al Spengler, Weldon Cooper Center for Public Service, University of Virginia

Compensation Board Minimum Criteria for Treasurers' Career Development Programs

Treasurer

Treasurer shall mean, for the purposes of this study, any Treasurer of a city or county and Compensation Board funded Directors of Finance.

Training and Development

The Treasurer must achieve and maintain Level II Certification administered by the Weldon Cooper Center for Public Service at the University of Virginia.

Staff Development and Training

The minimum number of Treasurers/Finance Director's employees enrolled and participating in the Certified Government Deputy Treasurer program administered by the Weldon Cooper Center for Public Service at the University of Virginia shall be as follows:

<u>Locality Population</u>	*	<u>Required Minimum Number of Employees Enrolled and Participating</u>
Less than 19,999		1
20,000 – 39,999		2
40,000 – 69,999		3
70,000 – 99,999		4
100,000 – 174,999		5
175,000 – 249,999		6
250,000 and over		7

*Population shall be determined by using the most recent U.S. Census data or population estimate provided by the Weldon Cooper Center for Public Service.

Employee shall mean for the purpose of this study, any full-time position reimbursed by the Compensation Board in a Treasurer or Director of Finance's office or, any full-time position that is 100% funded by the locality.

Enrolled and participating shall mean for the purpose of this study, that the employee must be officially registered with the Weldon Cooper Center in the Deputy Treasurer Career program and annually reported as such to the Compensation Board. Effective February 1, 2002, the employee must attain four points or attend at least one of the approved certification classes during the calendar year prior to the Treasurer/Director of Finance application for Career Development.

Administrative Policies

The Treasurer must develop and implement written policies consistent with applicable state and federal law addressing the following topics:

- leave and attendance
- equal opportunity
- sexual harassment
- recruitment and selection
- employee disciplinary procedures

In lieu of developing and implementing the above policies, the Treasurer may by written agreement adopt the local governing body's policies on these matters.

The Treasurer has adopted the Compensation Board's minimum Criteria for employee evaluation plans, delegation of classification authority, and Deputy Treasurer career development plans.

Financial Management

The Treasurer must certify to the Compensation Board that:

- the most recent audit by the Auditor of Public Accounts and the local government auditor reported no findings of material financial weakness under the direction of the Treasurer and that no internal control shortcomings identified in the prior year management letter were repeated in the most recent audit. The Treasurer must have two consecutive audits, from the APA and an independent audit firm, with the same time period covered by all audits being completely within the Treasurer's term of office.
- the Treasurer has a written Delinquent Collections Policy and has achieved a collection rate for real estate greater than or equal to 95% and for personal property greater than or equal to 90% as measured twelve months after the due date and adjusted for the locality's unemployment rate (i.e.; ¼% reduction in acceptable collection rate for 1% unemployment rate; a locality with 10% unemployment would receive a 2.5% adjustment to 92.5% real estate and 87.5% for personal property). Computation of the collection rate will be as follows:

$$\frac{(\text{Payments} + \text{abatements} + \text{tax relief} + \text{bankruptcies})^*}{\text{Tax assessed (levy) by principal due date}} = \frac{\text{Collection rate on}}{\text{1}^{\text{st}} \text{ anniversary of principal due date (adjusted unemployment rate)}}$$

* applied through the first anniversary of the principal due date

Customer Service

The Treasurer must have a written Customer Service Policy that addresses customer expectations and the Treasurer's method of meeting those expectations.

Investment Policy

The Treasurer must have a written Investment Policy that includes the following elements: Purpose and Scope; Objectives (Safety, Liquidity, Yield); Standards of Care (Prudence, Ethics and Conflicts of Interest, Delegation of Authority); Safekeeping and Custody (Authorized Financial Dealers and Institutions, Internal Controls, Delivery vs. Payment); Suitable and Authorized Investments; Investment Parameters; Reporting Requirements.

CB Form CD-30T
Certification of Career Development for Treasurers

Treasurer

Locality

I hereby certify that I have met or exceeded the following criteria:

- I have achieved Level II certification from the Weldon Cooper Center for Public Service at the University of Virginia.
- The following employees in my office are enrolled and participating in the Certified Deputy Treasurer program administered by the Weldon Cooper Center for Public Service:

- I have developed and implemented written policies consistent with state and federal law addressing leave and attendance, equal opportunity, sexual harassment, recruitment and selection and employee disciplinary procedures or adopted local government policies that meet the same standard.
- I have adopted the Compensation Board's minimum criteria for employee evaluation plans, delegation of classification authority, and Deputy Treasurer career development plans.
- The audit report for year ending on _____ from the Auditor of Public Accounts, as well as an independent audit report for year ending on _____ from _____ (name of audit firm) reported no findings of material financial weakness under my direction and that no internal control shortcomings identified in the prior year management letter were repeated in the most recent audit. I have two consecutive audits, from the APA and an independent audit firm, with the same time period covered by all audits being completely within my term of office.
- I have a written Delinquent Collections policy; my collection rate for real estate taxes in tax year _____ was _____%; my collection rate for personal property taxes in tax year _____ was _____%. These percentages are measured 12 months after each tax year's due date that occurred during my term of office. I have calculated my collection rate using the Compensation Board's formula established in the amended Minimum Criteria for Treasurers' Career Development Programs.
- I have a written Customer Service Policy.
- I have a written Investment Policy.

I understand that I must submit this certification as part of my annual budget request to the Compensation Board by February 1 of each year in order to be considered for a 9.3% pay raise effective the following July 1st.

I agree to provide such documentation as necessary to substantiate this certification upon request of the Compensation Board, my governing body or any individual or organization covered under the Virginia Freedom of Information Act. I understand that I will have seven business days to respond to Compensation Board requests, and that failure to respond within the time limit will result in my application for certification being denied for that year. I have provided a copy of this certification to my governing body.

Signature of Treasurer

Date

Audit Procedure

By action of October 23, 2001, the Compensation Board has directed that all Treasurers who submit a request for certification shall be subject to audit. The Compensation Board staff will randomly select the Treasurers to be audited no later than March 1 of each year, and direct that all relevant materials subject to audit be provided to the Compensation Board within 7 calendar days from notification. The Compensation Board has asked the Treasurers' Association of Virginia to form an Audit Committee to review the materials, and make such recommendations to the Compensation Board, as it deems appropriate not later than 5 business days prior to the March Board meeting each year. The Compensation Board will address any recommendations the Audit Committee wishes to make regarding the approval of certification of any Treasurer/Director of Finance at its March meeting. The Compensation Board has also requested that the Treasurers' Association of Virginia Audit Committee make any recommendations for amendments to the Career Development Plan to the Compensation Board by September 15 of each year.

Waddell\treas\TreasCareerDevelopProgram-Amended Nov27,01 Jan22,02 & Jan21,04